

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY TIDEWATER REGIONAL OFFICE

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David K. Paylor Director

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STATEMENT OF LEGAL AND FACTUAL BASIS

Virginia Electric and Power Company Dominion – Elizabeth River CT Station 2837 S Military Hwy, Chesapeake, VA

Permit No. TRO-61108

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, Dominion - Elizabeth River CT Station has applied for a Title V Operating Permit for its Chesapeake facility. The Department has reviewed the application and has prepared a draft Title V Operating Permit.

Engineer/Permit Contact:	Laura D. Corl (757) 518-2178	Date:	
Air Permit Manager:	Troy D. Breathwaite	Date:	
Regional Director:	Maria R. Nold	Date:	

I. FACILITY INFORMATION

Permittee Information

Dominion Generation 5000 Dominion Blvd. Glen Allen, VA 23060

Responsible Official

Mr. David E. Snoddy Station Director 2701 Vepco St. Chesapeake, VA 23323-6199

Acid Rain Designated Representative and CAIR Designated Representative

Mr. Charles D. Holley.

Vice President, Fossil & Hydro, System Ops

USEPA ATS-AAR ID number: 2099

Facility ID

Dominion – Elizabeth River CT Station 2837 South Military Hwy, Chesapeake, VA 23323-0286

Facility Contact person

D. Scott Morelen (757) 719-1134

County-Plant Identification Number: 51-550-00161

ORIS Code: 52087

NATS Facility Identification Number: 05208700CTZ1-CTZ3

Facility Description: SIC Code: 4911, NAICS Code: 221112

This facility is an electric generation facility using three simple cycle gas combustion turbines, and associated support equipment. The facility received a PSD permit, however, the units are being operated as low mass emissions (LME) units as defined in 40 CFR 72.2 (actual emissions below 50 tons NO_x per control period, and 100 tons NO_x and 25 tons of SO_2 per year). As specified in 40 CFR 75.19, the turbines use optional NO_x emission estimation procedures in lieu of continuous NO_x emissions monitoring systems to determine NO_x emissions. The facility became subject to the Acid Rain program when it was purchased by Virginia Electric and Power Company (Dominion) on November 30, 2004.

The facility is a Title V and PSD major source for NO_x , SO_2 , CO and H_2SO_4 . This source is located in an attainment area for all pollutants. The original PSD permit was issued 3/5/1991; it has been amended three times; 11/28/2005, 6/13/2007, and 4/10/2008.

II. COMPLIANCE STATUS

A full compliance evaluation of this facility, including a site visit, has been conducted. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time.

III. EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

The emissions units at this facility consist of the following:

Emission Unit ID	Stack ID	Emissions Unit Description	Rated Heat Input Capacity	Pollution Control Device (PCD)	Pollutant Controlled	Applicable Permit Date	
Fuel Burni	Fuel Burning Equipment						
CT-1	S1	Westinghouse W501DS simple cycle combustion turbine with water injection, inlet air fogging, and wet compression system - firing natural gas (primary)/ firing #2 fuel oil (secondary) 1991	1,553 mmBtu/hr (gas), 1,400 mmBtu/hr (oil)	Water Injection,	NO _x	Issued 3/5/1991, amended 11/28/2005, 6/13/2007, and 4/10/2008	
CT-2	S2	Westinghouse W501DS simple cycle combustion turbine with water injection, inlet air fogging, and wet compression system - firing natural gas (primary)/ firing #2 fuel oil (secondary) 1991	1,553 mmBtu/hr (gas), 1,400 mmBtu/hr (oil)	Water Injection,	NO_x	Issued 3/5/1991, amended 11/28/2005, 6/13/2007, and 4/10/2008	
CT-3	S3	Westinghouse W501DS simple cycle combustion turbine with water injection, inlet air fogging, and wet compression system - firing natural gas (primary)/ firing #2 fuel oil (secondary) 1991	1,553 mmBtu/hr (gas), 1,400 mmBtu/hr (oil)	Water Injection,	NO _x	Issued 3/5/1991, amended 11/28/2005, 6/13/2007, and 4/10/2008	

IV. EMISSIONS INVENTORY

2010 Emissions from the Combustion Turbines are summarized in the following tables:

2010 Criteria Pollutant Actual Emissions

	Criteria Pollutants				
Emission Units	VOC	CO	SO_2	PM_{10}	NO_x
CT-1	0.42	12.3	14.0	2.7	55.2
CT-2	0.44	13.7	13.1	2.8	59.0
CT-3	0.49	15.5	13.5	3.1	66.1
Facility Total	1.35	41.5	40.6	8.6	180.3

2010 Hazardous Air Pollutant Emissions

	Hazardous Air Pollutants			
Emission Units	Formaldehyde	Lead	Sulfuric Acid Mist	
CT-1	0.21	0.001	0.9	
CT-2	0.23	0.001	0.8	
CT-3	0.26	0.001	0.9	
Facility Total	0.70	0.003	2.6	

V. EMISSION UNIT APPLICABLE REQUIREMENTS

A. Limitations

1. Combustion Turbines:

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5 Chapter 50 New and Modified Stationary Sources, Part 1, Special Provisions

9 VAC 5 Chapter 50 Article 4: Standards of Performance for Stationary Sources

Article 5: EPA Standards of Performance for New Stationary Sources

9 VAC 5 Chapter 80 Permits for Stationary Sources

Article 1 - Federal Operating Permits

Article 2 - Permit Program Fees

Article 3 - Acid Rain

Article 4 - Insignificant Activities

Article 6 - Permits for New and Modified Sources Article 8 - Prevention of Significant Deterioration

9 VAC 5 Chapter 140 Part 1 - NO_x Budget Trading Program

Part 2 - NO_x Annual Trading Program

Part 3 - NO_x Ozone Season Trading Program

Part 4 - SO₂ Annual Trading Program

The following federal regulations have been determined to be applicable:

- 40 CFR Part 60 Subpart GG National Emission Standards for Stationary Gas Turbines.
- 40 CFR Part 68 Accidental Release Prevention
- 40 CFR Part 75 Section 75.19 Optional SO₂, NO_X, and CO₂ emissions calculation for low mass emissions (LME) units.
- 40 CFR Part 82 Protection of Stratospheric Ozone
- 40 CFR Part $96 NO_x$ Budget Trading Program and CAIR NO_x and SO_2 Trading Programs for State Implementation Plans
- 40 CFR Part 98 Mandatory Greenhouse Gas Reporting

Acid Rain -

9 VAC 5 Chapter 80 - Article 3 - Acid Rain the following condition is included in the permit:

In accordance with the Air Pollution Control Law of Virginia §10.1-1308 and §10.1-1322, the Environmental Protection Agency (EPA) Final Full Approval of the Operating Permits Program (Titles IV and V) published in the Federal Register December 4, 2001, Volume 66, Number 233, Rules and Regulations, Pages 62961-62967 and effective November 30, 2001, and Title 40, the Code of Federal Regulations §§72.1 through 76.16, the Commonwealth of Virginia Department of Environmental Quality issues this permit pursuant to 9 VAC 5 Chapter 80, Article 3 of the Virginia Regulations for the Control and Abatement of Air Pollution (Federal Operating Permit Article 3). (9 VAC 5-80-490 B.2)

All three of these units have qualified for exemption from CEMS requirements as Low Mass Emission Units under 40 CFR §75.19.

The latest Acid Rain Permit application has been added to the Title V permit as Appendix A.

CAIR -

9 VAC 5 Chapter 140 - Parts 2-4: From EPA's Question and Answer memo:

Question 1. - The CAIR regulations refer to the CAIR permit as a "complete and separable portion of the Title V operating permit." What does this mean?

It means that the CAIR portion of the Title V permit must be a discrete "chapter" in the overall Title V permit See 40 CFR 96.120(b), 97.120(b), 96.220(b), 97.220(b), 96.320(b), and 97.320(b). To facilitate this requirement, EPA recommends that the permitting authority simply append the CAIR permit application (which references the CAIR standard requirements) to the Title V permit and include language stating that the provisions contained in the CAIR permit application are applicable requirements that are a binding and enforceable portion of the Title V permit.

As with permitting under the Acid Rain and NO_X Budget Trading Programs, the CAIR permit is a portion of the Title V permit. As a consequence, the incorporation of CAIR requirements into the Title V permit should not modify any non-CAIR requirements already contained in the Title V permit.

Based on the above information, Section VIII has been added to the Title V permit and the CAIR application has been added an Appendix to the Title V permit.

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CSAPR - Cross-State Air Pollution Control Rule

The current affected CAIR units will be subject to the Cross-State Air Pollution Control Rule (CSAPR) (effective October 7, 2011) which replaces the Clean Air Interstate Rule (CAIR) on January 1, 2012. Virginia at this time will implement the CSAPR requirements through the federal implementation plan (FIP) as per Chapter 291 of the 2011 Virginia Acts of Assembly and 40 CFR 97.

Based on the above information, Section IX has been added to the Title V permit.

B. Monitoring

1. Combustion Turbines

This facility is subject to 40 CFR Part 60, Subpart GG. The monitoring that is required to meet this subpart is sufficient to show compliance with the emission limits in the permit. The monitoring requirements include:

- the load rate of each turbine (Condition III.B.2);
- the water to fuel ratio of the water injection system (Condition III.C.1);
- the number of hours operated (III.Condition B.3);
- the nitrogen and sulfur content of the fuel (Condition III.C.2); and
- the opacity (Condition III.B.8).

Stack testing is also used as a monitoring tool. Stack test results from the February/March 2007 stack testing show the facility to be in compliance at loads above 85%:

	Unit 1	Unit 2	Allowable Limit
Natural Gas Fired			
NOx	22.29	24.21	25 ppm
CO	23.82	4.29	30 ppm
VOC	0.6	0.76	4 ppm
Oil Fired			
NOx	48.34	46.84	50.2 ppm
CO	3.76	2.05	30 ppm
VOC	0.82	0.89	4 ppm

According to these stack test results the facility is operating within their permit limits.

C. Recordkeeping

Combustion Turbines

The permit includes requirements for maintaining records of all monitoring and testing. These records are listed in Section III.D.

D. Testing

Combustion Turbines

Two of the combustion turbines are required to be stack tested each Title V permit term. The specifics of the testing requirements are listed in Section III.E of the permit.

E. Reporting

Combustion Turbines

The permit includes requirements for recordkeeping. These records are listed in Section III.F.

F. GENERAL CONDITIONS

The permit contains general conditions required by 40 CFR Part 70 and 9 VAC 5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

1. Comments on General Conditions

a. Condition B. Permit Expiration

This condition refers to the Board taking action on a permit application. The Board is the State Air Pollution Control Board. The authority to take action on permit application(s) has been delegated to the Regions as allowed by §2.2-604 and §10.1-1185 of the *Code of Virginia*, and the "Department of Environmental Quality Agency Policy Statement No. 2-09".

b. Condition F. Failure/Malfunction Reporting

Section 9 VAC 5-20-180 requires malfunction and excess emission reporting within four hours of discovery. Section 9 VAC 5-80-250 of the Title V regulations also requires malfunction reporting; however, reporting is required within two days. Section 9 VAC 5-20-180 is from the general regulations. All affected facilities are subject to section 9 VAC 5-20-180 including Title V facilities. Section 9 VAC 5-80-250 is from the Title V regulations. Title V facilities are subject to both sections. A facility may make a single report that meets the requirements of 9 VAC 5-20-180 and 9 VAC 5-80-250. The report must be made within four daytime business hours of discovery of the malfunction.

c. Condition J. Permit Modification

This general condition cites the sections that follow:

- 9 VAC 5-80-50. Applicability, Federal Operating Permit For Stationary Sources
- 9 VAC 5-80-190. Changes to Permits.
- 9 VAC 5-80-260. Enforcement.
- 9 VAC 5-80-1100. Applicability, Permits For New and Modified Stationary Sources
- 9 VAC 5-80-1790. Applicability, Permits For Major Stationary Sources and Modifications Located in Prevention of Significant Deterioration Areas

d. Condition U. Malfunction as an Affirmative Defense

The regulations contain two reporting requirements for malfunctions that coincide. The reporting requirements are listed in sections 9 VAC 5-80-250 and 9 VAC 5-20-180. The malfunction requirements are listed in General Condition U and General Condition F. For further explanation see the comments on general condition F.

e. Condition Y. Asbestos Requirements

The Virginia Department of Labor and Industry under Section 40.1-51.20 of the Code of Virginia also holds authority to enforce 40 CFR 61 Subpart M, National Emission Standards for Asbestos.

VI. INAPPLICABLE REQUIREMENTS

Citation Requirement Description Why it Does not Apply
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40 CFR 63 Subpart T	National Emission Standards for Halogenated Solvent Cleaning	Dominion does not own or operate any equipment meeting the applicability criteria of this NESHAP subpart.
40 CFR 63 Subpart VV	National Emission Standards for Oil-Water Separators and Organic-Water Separators	This section is applicable only to facilities subject to other subparts that reference this subpart. Dominion is not subject to any subparts that reference this subpart.
9 VAC 5-70-10; 9 VAC 5-70-70	Applicability of, and Compliance with, Air Quality Standards; Nonattainment Areas	The Hampton Roads area has recently been redesignated an attainment area; therefore, despite its listing in Appendix K, the requirements do not apply.
40 CFR 63 Subpart YYYY	National Emission Standards for Stationary Combustion Turbines	These turbines are considered existing units and are specifically exempted in Section 63.6090(b)(4).
40 CFR 60 Subpart KKKK	Standards of Performance for Stationary Combustion Turbines	Only for stationary combustion turbines that commenced construction, modification or reconstruction after February 18, 2005.
40 CFR 64	Compliance Assurance Monitoring	Does not apply because there are no add on control devices.

VII. INSIGNIFICANT EMISSION UNITS

The insignificant emission units are presumed to be in compliance with all requirements of the Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping or reporting shall be required for these emission units in accordance with 9 VAC 5-80-110.

Insignificant emission units include the following:

Emissions Unit No.	Emissions Unit Description	Citation ¹ (9 VAC)	Pollutant Emitted (5-80-720 B)	Rated Capacity (5-80-720 C)
IC-1	Model P-185D air compressor, rated at 0.56 mmBtu/hr	5-80-720 B	NO _x , PM, PM ₁₀ , VOC, CO	84 HP
IL-1	Sandblaster	5-80-720 B	PM, PM ₁₀	n/a
IL-2	Fuel oil valves, pumps, flanges	5-80-720 B	VOC	n/a
IL-5	Turbine lube oil venting	5-80-720 B	VOC	n/a

¹The citation criteria for insignificant activities are as follows:

VIII. PUBLIC PARTICIPATION

The proposed permit will be place on public notice in the Virginia Pilot from November XX, 2011 to December XX, 2011.

⁹ VAC 5-80-720 B - Insignificant due to emission levels